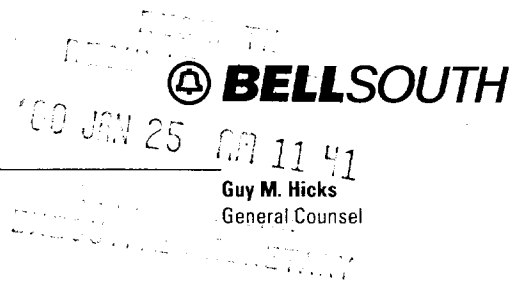


BellSouth Telecommunications, Inc. 615 214-6301
Suite 2101 Fax 615 214-7406
333 Commerce Street
Nashville, Tennessee 37201-3300

January 25, 2000



Guy M. Hicks
General Counsel

VIA HAND DELIVERY

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37245

Re: *Tariff to Offer a Special Promotion for Business Customers Subscribing to
Exchange Lines with Hunting*
Docket No. 99-00936

Dear Mr. Waddell:

Please accept this letter in response to the questions posed in the letter from the Tennessee Regulatory Authority dated January 19, 2000.

1. In Item three (3) of BellSouth's January 19, 2000 data response to the Authority, BellSouth states "this promotion [99-00936] is available for resale at wholesale rates". To clarify this response, we ask how BellSouth will determine the appropriate discount to provide. For example, will the discounted promotional rates (standard charge for hunting less a specified discount %) be further discounted by the wholesale discount?

RESPONSE:

Yes. For example, in BellSouth's January 19, 2000 response to the TRA's data request, Item 1, BellSouth developed the promotional hunting rate of \$3.86 per month for a RegionServ customer in Rate Group 1. Application of the 16% wholesale discount would be applied as follows:

Monthly Promotional Rate (Rate Group 1, RegionServ)	\$3.86
Less 16% wholesale discount (\$3.86 x 16%)	\$0.62
Monthly Wholesale Rate	\$3.24

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Similar calculations would apply for other eligible services in other rate groups and for the appropriate wholesale discount.

2. **The promotion, as filed, contained an enrollment period from December 6, 1999 through March 4, 2000. The discounted rates under this promotion, however, would extend for one to three years, depending on the length of the contract chosen. Will BellSouth make the wholesale discount available to resellers during the ninety (90) day enrollment period only, or will BellSouth hold open the opportunity for resellers to resell the promotion at any time during the next three years? For example, is a reseller wants to resell this promotion after March 4, 2000, will BellSouth allow the promotional rates to be resold at the appropriate wholesale discount?**

RESPONSE:

During the enrollment period from December 6, 1999 through March 4, 2000, BellSouth intended to sell the promotion to its customers and to allow resellers to offer the promotion, with the wholesale discount as explained in Item 1 of this response, to its customers. After March 4, 2000, neither BellSouth or resellers could offer the promotion to more customers. However, any contracts established under this promotion between BellSouth and its customers would be available for resale (for the remaining term of the existing contract) at the wholesale rate at any time during the life of the contract.

3. **Pursuant to the order adopted in Docket 96-01152, the BellSouth/AT&T Arbitration, does BellSouth consider this promotion to be long term or short term?**

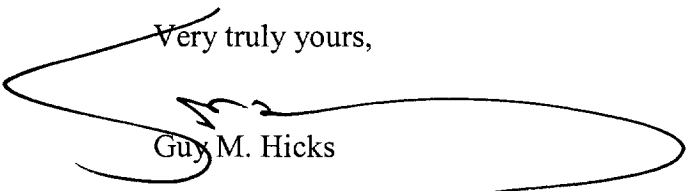
RESPONSE:

Consistent with the Second and Final Order of Arbitration Awards, January 23, 1997, Sec. 9(a), page 14, BellSouth considers this promotion to be a short-term promotion. See also 47 C.F.R. § 51.613(a)(2) (stating that, for short term promotions, the "incumbent LEC shall apply the wholesale discount to the ordinary rate for a retail service rather than a special promotional rate.") However, in consideration of Section 9(g) of the Arbitration order and in an effort to facilitate approval of this promotion, BellSouth has elected to make this promotion available for resale at wholesale rates during the enrollment period as described in Item 1 above and to make the contracts with its customers available for resale as described in Item 2 above.

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Please let us know if you have any questions or comments.

Very truly yours,



Guy M. Hicks

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